

# Medicare Beneficiary Behavior and Information about the Medicare Program—Final Report

## Executive Summary

Today's Medicare beneficiary needs to be informed about the Medicare program, about insurance plan options, and about where to turn for specific information. However, little is known about what beneficiaries know, where they turn for information, or what factors may influence information seeking behavior. This report examines current survey data about Medicare beneficiaries' use of sources of information about Medicare. We examine the *levels of use* of particular types of information. We also examine the use that beneficiaries make of particular sources of information, including the Medicare handbook, help-lines, Internet, insurance and managed care plans, in-person counseling, and health fairs. We also examine *trends* in use of information since 1998, and the *patterns* of beneficiary behavior with respect to use of Medicare information.

Our data is taken from four waves of a special telephone survey of beneficiaries conducted by Abt Associates in six metropolitan areas of the U.S. that were selected for special monitoring for the National Medicare Education Program (NMEP). The survey was first conducted in the fall of 1998 (before the NMEP) and again in January/February 1999, 2000 and 2001. The fourth wave (January/February 2001) was supplemented with four additional sites and oversamples of involuntary health plan disenrollees and non-white beneficiaries.

We find that about two thirds of the surveyed beneficiaries search for information regarding Medicare during any given year. Moreover, there is evidence of a modest upward trend in information use over the four waves of the survey. Much of the trend—but not all—seems to be the result of increased use the Medicare & You handbook, which is now mailed annually to all beneficiary households. There are also increases in the use of channels like the Internet and the Medicare help-line (1-800-Medicar(e)). The handbook is by far the most frequently used source. Approximately 43 percent of beneficiaries report using the handbook. About one-half of the beneficiaries seek information from more than one source during a year.

There are important, systematic differences across subgroups of the beneficiary population. A simple, general story can be told about the patterns we observe. There are identifiable factors that seem to motivate people to seek information. There are also factors that enhance, or “enable”, them to seek information more or less readily. Motivational factors include special *events in markets* (like HMO terminations, retirement benefit changes, physicians leaving plans) and important *life events* (death of a spouse, financial difficulties, worsening health). All of these situations can create a time-sensitive need for Medicare information, and we see particularly strong impacts for the market events. Important enabling factors include formal education level, Medicare knowledge levels, and noticing publicity about Medicare information.